



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
600 Washington Street
Boston, MA 02111
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MassHealth
All Provider Bulletin 136
June 2004

TO: All Providers Participating in MassHealth

FROM: Beth Waldman, Medicaid Director *BW*

RE: **Claims Processing and HIPAA Compliance for Electronic Claims Transactions**

Background

MassHealth would like to thank all those providers who have completed the conversion process and been approved for production. Your hard work and diligence are greatly appreciated. For those providers who have yet to comply, the following information is especially important.

In April 2004, MassHealth announced that the adjudication of non-HIPAA-compliant electronic claims would be delayed beyond the standard payment cycle effective July 1, 2004. This effective date has been postponed to September 1, 2004, to allow ample time for the remaining electronic submitters to achieve compliance. This bulletin details the timeframe associated with that delay.

**Claims Received
On And After
September 1, 2004**

All electronic claims received on and after September 1, 2004, in MassHealth's proprietary format will no longer be processed within the standard payment cycle. Adjudication of electronic claims submitted in our proprietary format, and accepted for processing, will be delayed for 14 calendar days beyond the standard payment cycle.

Pharmacy providers were previously notified that effective May 1, 2004, all retail pharmacy claims must be submitted in the NCPDP 5.1 format.

Achieving Compliance

It is critical that all submitters maintain an active profile throughout the testing and approval process. Test files should be submitted on a regular basis until compliance is achieved. **Providers should view this action as another measured step toward eliminating the process of supporting dual formats for electronic claim submissions.** We will provide you with additional information about the termination of dual format processing in the coming months.

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***Achieving Compliance
(cont.)***

If you are not yet approved to submit 837 transactions to MassHealth, you must continue to submit test files on a regular basis until compliance is achieved. Once you are approved for production, all electronic claims should be submitted in the 837 format.

If you have not yet submitted an initial test file, you must do so immediately. Failure to submit a test file and become approved in the 837 format will ultimately jeopardize your ability to continue submitting electronic claims to MassHealth.

***Providers Who Use
Clearinghouses and
Billing Intermediaries
to Submit Claims***

If you submit your claims through a billing intermediary or clearinghouse, contact them immediately to determine whether they are approved for production or testing the HIPAA-compliant format with MassHealth. A list of software vendors, billing intermediaries, and clearinghouses is also available on our Provider Services Web site.

For more information, please visit us at www.mahealthweb.com, and click on "HIPAA." The vender list identifies those vendors that are approved for production and those currently testing with MassHealth.

***Providers Who Submit
Paper Claims***

Although there is no change to paper claims submission at this time, we encourage all providers who want to improve their billing process and reap the benefits of electronic billing, including an average of 25% fewer errors and improved cash flow, to consider moving toward electronic claim submissions. If you currently submit paper claims to MassHealth, now is the time to consider exploring electronic submission options, such as our free software product, Provider Claim Submission Software (PCSS).

***Provider Claim
Submission Software***

PCSS generates 837 Professional, Dental, and Institutional transactions, and uploads them directly to MassHealth. You can submit your claims via modem or diskette. Internet access is not required. This product can be used as either an interim or permanent solution to meet your HIPAA-compliance needs.

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HIPAA Information

If you have questions about 837-format testing, documentation, and timeframes, or for more information on PCSS, contact the MassHealth HIPAA Support Center via e-mail at mahipaasupport@unisys.com, or telephone at 1-888-848-5068.

We also encourage you to visit our Provider Services Web site at www.mahealthweb.com/HIPAA.htm for additional HIPAA information.

For questions about retail pharmacy claim submissions, please call 617-423-9841.

Questions

If you have questions about this bulletin, please call MassHealth Provider Services at 617-628-4141 or 1-800-325-5231.
